

Case Study

Time is Money for Consulting Firms

Tracking billable time is essential to maintaining a profitable bottom line. Coupling a watchful eye on employee time-off with a disciplined approach to optimizing availability can lead to significant annual savings.



Employees: 150+
Private Firm
OpenAir Users: 125
Modules: Expenses; Invoices;
Opportunities; Projects;
Purchases; Resources;
Timesheets; Workspaces
Integrations: salesforce.com

A prime example of this is Niteo Partners, a consulting and systems integration organization that provides enterprise planning and business intelligence solutions to help clients make smarter decisions, faster. Niteo has achieved remarkable successes, with a customers list that includes industry leaders in Financial Services, Pharmaceuticals, Insurance, High Tech and Manufacturing.

Shortly after its inception in 2001, Niteo Partners came to OpenAir looking for a PSA solution. In the early years of its deployment, the company leveraged OpenAir for time and expense tracking and invoicing. As Niteo grew, their needs grew as well. After renewing their commitment to salesforce.com as their CRM package in October 2006, Niteo began using more and more of OpenAir's functionality.

“For services companies like Niteo, demand and delivery are two sides of the same coin,” said Jignesh Jain, Niteo’s Senior Director of Delivery. “As our utilization of salesforce.com grew on the demand side so did our use of OpenAir on the delivery side.” Now Niteo not only leverages OpenAir for time and expense tracking but also for resource and project management.

Leaving Out Leave Accrual

Until recently, one aspect of OpenAir that Niteo Partners did not utilize was the tracking of leave accrual and paid time off. Prior to implementing this feature, the company tracked leave through Microsoft Excel—a method that was cumbersome and was often imprecise.

“Employees were logging time against five different job codes while our Accounting department was using its own system to track leave; often with disconnects between the two systems,” said Jain. This method resulted in conflicting and inaccurate figures. Additionally, employees had no self-service access to know their leave balances. Through experiences at other larger companies, Jain understood that although the tracking of vacation often carries an insignificant connotation, it can greatly impact a company’s revenue stream. “Usually the idea of tracking vacation time is considered not overly important. However, a services company of our size can expect 5% of their revenue to be dedicated to paid leave.”

With this in mind, Niteo began implementation of OpenAir’s leave accrual feature in January 2007. “I was pleasantly surprised with the ease of transition that we experienced during implementation. Our current figures were loaded into OpenAir within two hours and our leave accrual configuration was up and running that day,” said Jain.

OpenAir’s leave accrual feature empowers organizations to reduce leakage in their vacation tracking as well as tighten the process to prevent inconsistencies. “A user’s timesheet directly correlates to their leave accrual rules as well as their leave balance,” said Jain. “When an employee takes leave and their timesheet is approved, there is an automatic draw-down from their balance.” This seamless system prevents lost data that a multi-system approach is prone to.

In the case of Niteo, leave is accrued in four main groups: vacation, sick, bereavement, and personal days. These groups accrue at different rates and during different periods. “A very positive aspect of OpenAir’s leave accrual feature is that it supports different rates and times of accrual. For example, personal days are earned at a rate of one day every six months while vacation days are accrued at a rate of fifteen days over twelve months.” OpenAir’s robust leave accrual rules make this process simple and automated.

Finding Lost Revenue

Almost a year into its use of OpenAir's leave accrual feature, Niteo not only has experienced immediate results but also foresees invaluable benefits for the future. "By tightening and streamlining our leave tracking system through OpenAir, we are able to prevent leakages due to imprecise methods. These leakages may otherwise have been 0.5% to 1% of our annual revenue."

With a year of data in the system, the company now has extremely powerful statistical information for financial planning and revenue projections. "OpenAir now enables us to access historical information with great ease. We can track when in the year employees normally take leave as well as on average how many billable days a consultant is available." For a consulting company whose monthly revenue is directly connected to available billable working days, this information is both crucial and powerful.

OpenAir's leave accrual solution not only positively affects your bottom line in regard to current employees but also after a resource leaves the company. "I have seen large organizations write \$10,000 checks for unused vacation when an employee leaves, simply because their leave accrual systems were inaccurate and disconnected. With OpenAir, we know our numbers are correct when an employee needs to be reimbursed for unused vacation."

Perhaps the most important benefit Niteo has experienced is employee satisfaction. Before OpenAir, an employee had to send an email to Human Resources to obtain their vacation balance. Now, leave accrual balances are available immediately upon login to OpenAir. "Our consultants have been vocal regarding the improvements they have seen with OpenAir. They have greater visibility within the system and can self service their information needs."